

Our Reference: AEI-177-A

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Dhiren K. Marjadi et al.
Serial Number: 09/855,317
Filing Date: May 15, 2001
Examiner/Art Group Unit: Evens J. Augustin/3621
Title: DIGITAL CONTENT LICENSING METHOD
INVOLVING APPLICATION SERVICE
PROVIDER

APPEAL BRIEF

MAIL STOP APPEAL BRIEF-PATENTS

Commissioner for Patents

PO Box 1450

Alexandria, VA 22313-1450

Sir:

Please enter the following Appeal brief pursuant to 37 C.F.R. § 41.37 from the final rejection of all claims, as set forth in the Office Action dated May 18, 2007.

REAL PARTY IN INTEREST

The real party in interest is Altair Engineering, Inc., by assignment from the inventors, Dhiren K. Marjadi, James R. Scapa, James E. Brancheau, and James P. Dagg.

RELATED APPEALS AND INTERFERENCES

There are no related appeals or interferences in the present application.

STATUS OF CLAIMS

Claims 1-12 stand rejected under 35 U.S.C. § 103(a) as being

unpatentable over Christiano (U.S. Patent No. 5,671,412) in view of Wyman (U.S. Patent No. 5,745,879).

There are no allowed claims. This is an appeal from the final rejection of claims 1-12.

STATUS OF AMENDMENTS

No Amendment has been filed in response to the Final Office Action dated May 18, 2007. All other amendments in the present application have been entered.

SUMMARY OF THE CLAIMED SUBJECT MATTER

The present invention claims a licensing method for use in a customer computer network (10, 12, 118) having at least one node (14, 16, 18) capable of executing digital content from a digital content source on the customer computer network (10, 12, 118) or executing digital content from a digital content source on an application service provider (15a, 15b, 15c). P. 2, par. 12, ll. 1-5; see also Fig. 1 and Fig. 3.

As recited in claim 1, the licensing method includes the steps of providing licensed units to a customer and providing independently selectable digital content. P. 4, par. 14, line 1 and p. 4, par. 15, line 1. A predetermined number of customer computer network assigned units are assigned to each independently selected digital content when the digital content is run on the customer computer network (10, 12, 118). P. 5, par. 16, ll.1-3 and p. 12, par. 54, ll. 1-4. A predetermined number of application service provider assigned units are assigned to each independently selected digital content when the digital content is run on the application service provider (15a, 15b, 15c). P. 5, par. 17, ll.1-3 and p. 12, par. 54, ll. 1-4. A number of checked out units are charged to the customer computer network (10, 12, 118) based on the digital content currently being run by the customer on the customer computer network (10, 12, 118) and on the application service provider (15a, 15b, 15c). P. 5, par. 18, ll.1-4. One of the customer computer network (10, 12, 118) and the application service provider (15a, 15b, 15c) are selected through the

customer computer network (10, 12, 118) for execution of a selected digital content. P. 4, par. 12, ll. 3-5, p. 12, par. 57, ll.1-4, p. 12, par. 58, ll.1-2, p. 13, par. 59, ll.1-2, p. 13, par. 60, ll.1-3, and p. 13, par. 61, line 1. The licensing method recited in claim 1 also includes the step of determining a number of available units (step 70) equal to the difference between the total licensed units to the customer computer network (10, 12, 118) and the total checked out units charged to the customer computer network (10, 12, 118) for digital content currently being executed on the customer computer network and on the application service provider (15a, 15b, 15c) for the customer. P. 5, par. 19, ll.1-3; see also Fig. 2. Whether a requested digital content is to be executed or denied execution (step 70) on the selected one of the customer computer network (10, 12, 118) and the application service provider (15a, 15b, 15c) is determined based on the difference between the available units on the customer computer network (10, 12, 118) requesting execution of the digital content and the assigned units of the selected digital content on the selected customer computer network (10, 12, 118) and the application service provider (15a, 15b, 15c). P. 5, par. 20, ll.1-6; see also Fig. 2.

GROUND OF REJECTION TO BE REVIEWED ON APPEAL

1. Claims 1-12 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Christiano (U.S. Patent No. 5,671,412) in view of Wyman (U.S. Patent No. 5,745,879).

ARGUMENT

I. Rejection of Claims 1-12 Under 35 U.S.C. 103(a)

A. No Suggestion or Motivation to Combine Christiano and Wyman

Claims 1-12 stand rejected under 35 U.S.C.103(a) as being unpatentable over Christiano in view of Wyman. The Examiner states that Christiano discloses all elements of the claims, except that Christiano fails to explicitly describe a system in which licensed units can be distributed between a server and the user computer/network. The Examiner asserts that it would have been obvious to one having ordinary skill in the art at the time the invention was made to combine the license management system for

software applications in Christiano with the method and system for managing the licensing of software on computer systems in Wyman. According to the Examiner, the motivation for combining the two references is that the delegation of units allows an administrator to distribute units to improve response time and increase the resilience of the system, and may be used as a method of allocating licensed units within a budget for administrative purposes. However, it is submitted that the Examiner has failed to show a suggestion or motivation to combine Christiano and Wyman and hence, has not established a *prima facie* case of obviousness to support a rejection of Applicants' invention .

It is improper for the Examiner to use any part of Applicants' disclosure to provide elements missing from the cited references. Doing so would constitute classic hindsight reconstruction. The law has been stated as far back as 1971 in *In re McLaughlin*, 443 F.2d 1392, 1395, 170 USPQ 209, 212 (CCPA 1971).

Any judgment on obviousness is in a sense necessarily a reconstruction based on hindsight reasoning, but so long as it takes into account only knowledge which was within the level of ordinary skill in the art at the time the claimed invention was made and does not include knowledge gleaned from Applicants' disclosure, such a reconstruction is proper.

The Examiner has used Applicants' disclosure to provide elements missing from the cited references. The knowledge to provide a licensing method utilizing assigned and checked out units on both a customer network and an application service provider network is not found in the cited references. It is respectfully submitted that Examiner has based his motivation and suggestion to combine Christiano and Wyman on hindsight. The rejection of claims 1-12 is, therefore, contrary to established law on its face.

**B. Combination of Christiano and Wyman do not Teach or Suggest
Claim Limitations of Applicants' Invention**

It is respectfully submitted that even if properly combinable, the combination of Christiano and Wyman do not teach or suggest all of the claim limitations of Applicants' invention.

Christiano discloses a license server 16 for storing licenses for software programs available to the computer systems 12 and checks out the license units to client computer system 12 when the client requests a license. Christiano specification, col. 6, ll. 32-37. The license server 16 provides licenses from a license database to client computer system to allow the client computer system to use the licenses software products. Christiano specification, col. 4, ll. 12-14. The system uses a concurrent usage license policy wherein a number of program licenses are made available for each licensed program. Christiano specification, col. 7, ll. 31-32. The licenses are specified in "license units." Christiano specification, col. 7, l. 35. A minimum quantity, indicating a minimum amount of license units required to be checked out to allow the designated program to be used by the client, is read from the license item. Christiano specification, col. 4, ll. 3-5 and col. 17, ll. 35-47. The minimum license units allow a software vendor to decrease the amount of available licenses for specific programs as desired. Christiano specification, col. 17, ll. 44-47. When a client on a customer computer network requests a program license, the license server determines if the minimum number of license units are available to be checked out by the client. Christiano specification, col. 32, ll. 42-44. If it is determined that the client is allowed to receive the license, the client checks out the minimum license units and is assigned a license to the software. Christiano specification, col. 32, ll. 45-49. Therefore, Christiano teaches a licensing arrangement wherein a decision made to execute or not execute a selected piece of digital content is based solely on the available minimum license units for the piece of digital content.

The software license management system in Christiano does not disclose assigning a predetermined number of license units to the digital content when the digital content is run on a customer computer network as stated in claim 1. The Examiner indicates that the "minimum" number of license units in Christiano is equivalent to "predetermined" number of customer computer network units. This is simply not true. As evident from step 168 of Figure 9 in Christiano, the process checks to see if a minimum amount of units has been specified in the license record after the license has been requested in step 58 of Figure 8. If the license units have

yet to be specified before the license has been requested, they cannot be considered “predetermined” as they are in Applicants’ invention.

Further, the license management system in Christiano is only for use in a single customer computer network. It is devoid of any use in conjunction with an application service provider. The examiner correctly recognizes that Christiano does not explicitly describe a system in which the licensed units can be distributed between a server and the user computer/network. Therefore, Christiano does not teach assigning a predetermined number of application service provider units to each independently selected digital content when the digital content is run on the application service provider, charging a number of checked out units to the customer computer network based on the digital content being run by the customer on the customer computer network and on the application service provider, selecting through the customer computer network one of the customer computer network and the application service provider for execution of a selected digital content, determining a number of available units equal to the difference between the total licensed units to the customer computer network and the total checked out units charged to the customer computer network for digital content currently being executed on the customer computer network and on the application service provider for the customer, and determining whether a requested digital content is to be executed or denied execution on the selected one of the customer computer network and the application service provider based on the difference between the available units on the customer computer network requesting execution of the digital content and the assigned units of the selected digital content on the selected customer computer network and the application service provider.

To remedy these deficiencies in Christiano, the Examiner introduces Wyman to reject claims 1-12 under 35 U.S.C. § 103(a) as being unpatentable over Christiano in view of Wyman. The Examiner states that “The USPTO is introducing the aspect of Application Service Provider (ASP), as a server hosting applications for end users.” The Examiner cites Wyman for a method and system for managing the licensing of software executed on computer systems.

More specifically, the Examiner cites Wyman for teaching that licensed

units are granted in the product use authorization and the units may be granted to users or delegated to another server, where the user nodes serviced by this server make requests and receive grants. The Examiner equates the delegated server in Wyman to the application service provider in Applicants' invention. The Examiner indicates that the delegated server will have some subset of the original product use authorization. When units are granted to a user or delegated to server, the remaining units are deducted from an available pool.

Firstly, in Wyman, the delegated server does not contain and run the digital content. Hence, the delegated server cannot be considered to be an application service provider. As evident from item 17 of Fig.1 in Wyman, the CPU nodes are where the programs are actually located and executed. Wyman specification, column 8, ll. 36-38. Accordingly, Wyman does not teach assigning a predetermined number of application service provider units to each independently selected digital content when the digital content is run on the application service provider, charging a number of checked out units to the customer computer network based on the digital content being run by the customer on the customer computer network and on the application service provider, selecting through the customer computer network one of the customer computer network and the application service provider for execution of a selected digital content, determining a number of available units equal to the difference between the total licensed units to the customer computer network and the total checked out units charged to the customer computer network for digital content currently being executed on the customer computer network and on the application service provider for the customer, and determining whether a requested digital content is to be executed or denied execution on the selected one of the customer computer network and the application service provider based on the difference between the available units on the customer computer network requesting execution of the digital content and the assigned units of the selected digital content on the selected customer computer network and the application service provider.

Secondly, even if the delegated server in Wyman could be considered to be an application service provider, any delegation of a portion of the licensed units to a delegated server removes the delegated units from the total pool of licensed units and assigns them specifically to the delegated server. This means that the user nodes attached to this separate server are serviced only by that server and have their own delegated license units which are a subset of the overall license units to the entire system. Once the units have been consumed, they cannot be reused. Wyman specification, column 14, ll. 27-28. In Applicants' invention, all of the users have access to both their own customer computer network and to a separate application service provider. Customers are provided a total pool of licensed units and from that pool, the user can access and run digital content on its own network and also all digital content run on any application service provider. Unlike Wyman, the units are never consumed. The units are either checked out by the user or available for use.

Thirdly, in Wyman, the users serviced by a delegated server that have their own license unit subset are serviced by digital content only on that single delegated server. Wyman specification, column 8, ll. 32-35; see also Fig. 1. Unlike Applicants' invention, if digital content is not located on the delegated server for the users of the corresponding network, the user cannot access software products from another delegated server. The user in Wyman is limited to what is within their delegated subset of license units on the delegated server.

Fourthly, each user is able to select whether a particular piece of digital content is to be executed on the customer computer network or on the application service provider. The customer's computer network and the application service provider are set up, run, and managed independently by two different business entities or two separate groups of people. This means that different sets of software products can be installed on these the customer computer network and the various application service provider networks. Therefore, for the aforementioned reasons, the combination of Christiano and Wyman fails to teach or suggest the ability of a single node to request execution of a piece of digital content from one of the customer computer network or an application service provider.

The Examiner has also indicated that paying for licensed units in

Wyman is equivalent to charging a number of checked out units to the customer computer network in Applicants' invention. However, Wyman indicates that the record of units used in user computers will be recorded and kept track of separately in a different database and log from the record of units used in the delegated servers. Wyman specification, column 9, ll. 26-29. Therefore, unlike in Applicants' invention, the combination of Christiano and Wyman do not teach or suggest charging a number of checked out units based on the digital content currently being run by the customer on both of the customer computer network and on the application service provider.

The Examiner has also indicated that the fact that programs make inquiry to their server before being executed on the delegated servers and user computers is equivalent to selecting whether digital content should be executed on the customer computer network or on the application service provider. However, Wyman indicates that delegation authorization is handled by the license server which actually distributes the license units to the delegated servers. Wyman specification, column 11, ll. 43-45. Delegation authorization in Wyman is not handled by the user computers. Applicants' method provides the user of a computer network with the flexibility of determining where a particular licensed digital content is to be executed through the number of licensed units purchased. This further enables the user to structure its computer network in the most favorable manner to the user with only the capacity necessary to run a normal number of programs, while relying on the application service provider for additional computing capacity. The user has the further capability of relying on the application service provider for all of its computing capacity during peak or even non-peak usage times. Therefore, unlike in Applicants' invention, the combination of Christiano and Wyman do not teach selecting one of the customer computer network and the application service provider through the customer computer network for execution of a selected digital content.

For the above reasons, it is respectfully submitted that even if Christiano and Wyman are properly combinable, the Examiner has not established that the references teach or suggest all of the claimed limitations.

CONCLUSION

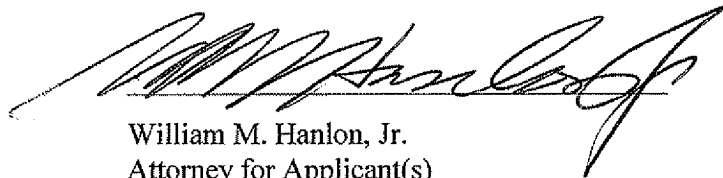
For the reasons set forth above, it is respectfully submitted that Applicants' invention as set forth in claims 1-12 patentably define over the cited references and is not suggested or rendered obvious thereby. The Examiner has failed to show that that (1) there is a suggestion and motivation to combine Christiano and Wyman and (2) the combination of Christiano and Wyman teaches or suggests all of the claim limitations. As such, it is respectfully submitted that Examiner's final rejection of claims 1-12 is erroneously based and its reversal is respectfully requested.

No oral hearing is requested.

Applicant has previously submitted an Appeal Brief on September 13, 2006. Subsequently, the examiner withdrew the finality of the rejection. Applicant is only required to pay the difference between the previously paid Appeal Brief fee and the current Appeal Brief fee. Please charge the additional fee of \$10 to Deposit Account No. 25-0115. If any excess charges or fees must be paid in connection with the following communication, they may be paid out of our Deposit Account No. 25-0115.

Respectfully submitted,

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A handwritten signature in black ink, appearing to read 'W. M. Hanlon, Jr.', is written over a horizontal line.

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WMH/NNM

APPENDIX A: CLAIMS AT ISSUE IN APPEAL

1. For use in a customer computer network having at least one node capable of executing digital content from a digital content source on the customer computer network or executing digital content from a digital content source on an application service provider, a licensing method comprising the steps of:
 - a. providing licensed units to a customer;
 - b. providing independently selectable digital content;
 - c. assigning a predetermined number of customer computer network assigned units to each independently selected digital content when the digital content is run on the customer computer network;
 - d. assigning a predetermined number of application service provider assigned units to each independently selected digital content when the digital content is run on the application service provider;
 - e. charging a number of checked out units to the customer computer network based on the digital content currently being run by the customer on the customer computer network and on the application service provider;
 - f. selecting through the customer computer network one of the customer computer network and the application service provider for execution of a selected digital content;
 - g. determining a number of available units equal to the difference between the total licensed units to the customer computer network and the total checked out units charged to the customer computer network for digital content currently being executed on the customer computer network and on the application service provider for the customer; and
 - h. determining whether a requested digital content is to be executed or denied execution on the selected one of the customer computer network and the application service provider based on the difference between the available units on the customer computer network requesting execution of the digital content and the assigned units of the selected digital content on the selected customer computer network and the application service provider.

2. The method of claim 1 further comprising the steps of:
when the available units on the customer computer network requesting execution of a digital content are greater than or equal to an application service provider required units of the digital content requested by the customer computer network, determining when the application service provider required units of the requested digital content to be executed on the application service provider are to be charged to the available units.

3. The method of claim 1 wherein the application service provider assigned units of at least one of the digital content run on the application service provider differ from the customer computer network assigned units of the identical digital content run on the customer computer network.

4. The method of claim 1 further comprising the steps of:
upon termination of a run of digital content on the application service provider, calculating and adding the application service provider returned units of the terminated digital content to the available units on the customer computer network.

5. The method of claim 1 further comprising the steps of:
requesting execution of one digital content on the application service provider; and
determining if the application service provider can immediately execute the requested digital content.

6. The method of claim 5 further comprising the steps of:
if the application service provider cannot immediately execute the requested product, pre-charging the application service provider assigned units of the requested digital content to the requesting customer computer network; and
queuing the requested digital content for subsequent execution on the application service provider.

7. The method of claim 1 further comprising the step of:
determining whether to charge the application service provider
required units at one of the time of the request of execution of the digital content and
at the time of execution of the requested digital content on the application service
provider.

8. The method of claim 7 further comprising the step of:
when the application service provider required units are to be charged
at the time of the request, and the available units are greater than or equal to the
application service provider required units of the requested digital content, locking
the application service provider required units and charging the application service
provider required units to the available units at the requesting customer.

9. The method of claim 8 further comprising the step of:
determining if the application service provider is able to immediately
execute the requested digital content.

10. The method of claim 9 wherein:
if the application service provider is not able to immediately execute
the requested digital content, waiting for a change in the status of the available units.

11. The method of claim 9 wherein:
when the application service provider is able to immediately execute
the requested digital content; and if the available units are greater than the application
service provider required units of the requested digital content and the application
service provider required units of the requested digital content have been locked,
executing the requested digital content.

12. The method of claim 7 wherein if the application service
provider required units are to be charged to the available units at the time of

execution of the requested digital content, further comprising the step of:

at the time of execution, checking if the available units are greater than or equal to the application service provider required units and, if yes, setting the available units equal to the prior available units minus the application service provider required units and, if no, leaving the available units unchanged.

APPENDIX B: EVIDENCE

[NONE]

APPENDIX C: RELATED PROCEEDINGS

[NONE]